

PEOPLE
De Laurentiis
Film Unit in Asia
The movie producer
Laurentiis has been
active in Asia for
years. He has produced
several films in the
region, including "The
Last Days of Pompeii"
and "The Ten Commandments".
He is currently working
on a new film, "The
Last Days of Pompeii",
which is set to be released
in the near future.

The Global Newspaper
Edited and
Published in Paris
Printed simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague, Marseille, Miami.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post
LONDON, THURSDAY, AUGUST 7, 1986

Agency
Subscription
Single copy
Established 1887

European Companies Winning Quiet Battle for SDI Contracts

By John Tagliabue
New York Times Service
BOON — When the United States awarded a Strategic Defense Initiative contract to a West German aerospace company, Messerschmitt-Bölkow-Blohm, last month, it represented another difficult victory for European contractors trying to carve out a niche in the multi-billion-dollar American program.
For one thing, they have had to overcome the usual competitive odds. They also have had to overcome pressures in the United States to protect indigenous American industries. And they have had to contend with resistance from their own governments, which have questioned the feasibility of a space-based shield generally and its value to Europe in particular.
Under the Reagan administration's current plan, the shield would primarily become a defense against ballistic missiles but not against battlefield weapons of the kind that might be used in Europe.
Indeed, although Britain and West Germany finally signed agreements earlier this year permitting their industries to participate in work on the U.S. program, Italian officials are still involved in negotiations with the United States. France, the European leader in aerospace and in other critical technologies, has not yet acquiesced.
Adding to the European companies' complications is the extreme nervousness within the Pentagon about sending classified information on the defense plan to foreign military contractors, especially at a time of heightened concern about technological espionage.
In testimony before Congress last year, U.S. Defense Department officials made it clear that all classified data must be sent through secure channels to a foreign government, then passed on to the contractor. That is one reason why the United States has been reluctant to let its allies before foreign companies can receive contracts.
Despite the public concern, however, some European governments and military contractors have been quietly maneuvering to win contracts, hoping to reap the benefits — including substantial nonmilitary applications — of the high-technology research. They have had some success.
A tally by the Federation of American Scientists in Washington has found about 25 awards or requests for bids given to companies in Britain, West Germany and France. Besides the Messerschmitt-Bölkow-Blohm, other winners included the Carl Zeiss optical company in West Germany and several units of the French electronics group and the General Electric Co., both in Britain.

Saudis, Kuwait Gave In To Iran in OPEC Pact

By Robert J. McCarney
Washington Post Service
GENEVA — OPEC reached a temporary truce in its eight-month price war because a worsening financial crisis would threaten to plunge Iran into drawing Kuwait and Saudi Arabia into the Gulf war, OPEC delegates and industry specialists said.
Oil ministers of the Organization of Petroleum Exporting Countries, who have bickered for years over how to reverse the fall in oil prices, on Tuesday reached their first unanimous agreement in four months, said a spokesman.
The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.
The agreement was a compromise between OPEC's conservative faction, led by Saudi Arabia, and the more radical grouping of Iran, Libya and Algeria. The Saudis and the others, notably Kuwait, agreed to absorb the bulk of the production cut, and then the largest share of the revenue losses.
Iran, in a concession, dropped its insistence that it be allowed to pump twice as much oil as the Saudis. The Saudis also accepted a planned ceiling for total OPEC production of about 16.8 million barrels a day, which is higher than the original ceiling they had sought, 15 million barrels a day.
All of the countries were willing to compromise in part because of severe financial problems caused by the drop in oil prices, OPEC ministers said. Oil prices have fallen by more than half since the end of last year.
"This is, to a certain degree, a corrective measure," Kuwait's oil minister, Sheikh Ali Khalifa al-Sabah, said of the accord. He said OPEC had "overdone it" in recent months by pumping too much oil.
In addition, the Saudis and Kuwaitis were under pressure to placate Iran because of its military advances this year against Iraq. OPEC sources and industry analysts said.
The Saudis and Kuwaitis have supported Iraq in the conflict with Iran's Islamic revolution. As a result, the Saudis and Kuwaitis have long been concerned that Iran would seek to subvert their governments or stage military attacks against them.
In February, Iranian forces for the first time seized and held a sizable amount of Iraqi territory at the port of Faw near the Kuwaiti border. Since then, the Arab OPEC may cut production further to raise prices, the U.A.E. oil minister said. Page 12

NEWS ANALYSIS

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

The agreement was a compromise between OPEC's conservative faction, led by Saudi Arabia, and the more radical grouping of Iran, Libya and Algeria. The Saudis and the others, notably Kuwait, agreed to absorb the bulk of the production cut, and then the largest share of the revenue losses. Iran, in a concession, dropped its insistence that it be allowed to pump twice as much oil as the Saudis. The Saudis also accepted a planned ceiling for total OPEC production of about 16.8 million barrels a day, which is higher than the original ceiling they had sought, 15 million barrels a day. All of the countries were willing to compromise in part because of severe financial problems caused by the drop in oil prices, OPEC ministers said. Oil prices have fallen by more than half since the end of last year. "This is, to a certain degree, a corrective measure," Kuwait's oil minister, Sheikh Ali Khalifa al-Sabah, said of the accord. He said OPEC had "overdone it" in recent months by pumping too much oil. In addition, the Saudis and Kuwaitis were under pressure to placate Iran because of its military advances this year against Iraq. OPEC sources and industry analysts said. The Saudis and Kuwaitis have supported Iraq in the conflict with Iran's Islamic revolution. As a result, the Saudis and Kuwaitis have long been concerned that Iran would seek to subvert their governments or stage military attacks against them. In February, Iranian forces for the first time seized and held a sizable amount of Iraqi territory at the port of Faw near the Kuwaiti border. Since then, the Arab OPEC may cut production further to raise prices, the U.A.E. oil minister said. Page 12

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.

On Tuesday reached their first unanimous agreement in four months, said a spokesman. The accord is designed to reduce the group's total production by more than 3.5 million barrels a day in September and October to prop up prices. But it is uncertain how strictly each of the 13 members will honor the agreement.



Rains, Drought Bring Havoc in Australia and Asia
Floodwaters cut off an arterial road Wednesday in Liverpool, a Sydney suburb, after two days of torrential rain, and widespread flooding was reported. Typhoons, monsoons and drought throughout Asia this summer have killed hundreds of people and devastated crops. Page 6.

After Low Period, Israel Finds Its Influence at Apex

By Charles R. Babcock
Washington Post Service
WASHINGTON — Every year since President Ronald Reagan took office in 1981, Thomas A. Dine has prepared a report on U.S.-Israeli relations for the annual meeting of the American Israel Public Affairs Committee, the influential lobbying group he heads. Each year, the assessment had been a mix of ups and downs. Not this year.
"We are in the midst of a revolution that is raising U.S.-Israeli relations to new heights," Mr. Dine told more than 1,000 members of the committee meeting in Washington on April 6.
Gore, Mr. Dine said, were the days when some U.S. officials considered "a liability, a hindrance, to America's relationship with the Arab world, a load and a roughy child." Gore, too, was the dark period during 1982 and 1983, when Israel's invasion of Lebanon strained the longstanding special relationship that goes back to Israel's founding in 1948.
No longer did Israel have to depend on its friends in Congress, Mr. Dine said. Now, sympathetic officials were at every level of the government, at the State and Defense departments, at the Central Intelligence Agency, at agencies that deal with science, trade and agriculture — all places, he said, where support for Israel had been weak.
Leading the charge, he said, was Secretary of State George P. Shultz, who came to office after heading a corporation doing billions of dollars in business in the Arab world and then scored some in the Jewish community by declaring that he wanted to remove the "legitimate needs and problems" of the 1.5 million Palestinians living on Israeli-occupied land.
By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.
Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

A Special Relationship America's Ties With Israel

First of three articles

These departments, at the Central Intelligence Agency, at agencies that deal with science, trade and agriculture — all places, he said, where support for Israel had been weak.

Leading the charge, he said, was Secretary of State George P. Shultz, who came to office after heading a corporation doing billions of dollars in business in the Arab world and then scored some in the Jewish community by declaring that he wanted to remove the "legitimate needs and problems" of the 1.5 million Palestinians living on Israeli-occupied land.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

Scores of people interviewed here and in Israel agreed with Mr. Dine's assessment that the relationship is closer now than ever before.

By autumn 1983, Mr. Shultz had turned around and embraced an idea that previous administrations had rejected — "strategic cooperation," which envisions Israel as a strategic asset that can help protect U.S. interests in the Middle East from Soviet incursions.

House Sustains Veto of Curbs on Textile Imports

By Stuart Auerbach
Washington Post Service
WASHINGTON — The House of Representatives failed Wednesday by eight votes to override President Ronald Reagan's veto of a bill that would have placed skin restrictions on textile imports from 16 countries on Wednesday, a day after the administration's trade policy as the November elections approach. The vote was 276-149, under the two-thirds majority required to override a presidential veto.
Only 43 Democrats voted to uphold Mr. Reagan's veto along with 106 Republicans, while 235 Democrats and 71 Republicans voted to override. The House passed the Senate version of the textile bill, 255-161, on Dec. 3 and sent it to the White House. Mr. Reagan vetoed it two weeks later.
No further action is required in the Republican-led Senate to uphold the president's veto. Mr. Reagan has vetoed 47 measures and only 5 have been overridden by both the House and Senate.
The issue was cast in terms of more jobs for American textile workers, against the U.S. obligations under existing agreements and the potential job losses from retaliation by countries whose shipments to the United States would be cut.
President Reagan and his cabinet lobbied intensively over the last week to gain enough votes in the House to sustain his veto. An hour before the final tally, neither side was willing to predict the outcome.
The legislation gained strength as the U.S. trade deficit continued to grow from a record \$148.5 billion in 1985. It now is at an annual rate of \$170 billion.
The bill would have applied the strictest quotas to three major producing countries, Taiwan, South Korea and Hong Kong. Their exports to the United States would have been subject to rollbacks of as much as 30 percent.
The bill also would have placed less stringent quotas on nine other producers — Brazil and eight Asian nations — and would have limited shoe imports to no more than 60 percent of the U.S. market.
Both sides called the bill protectionist.

South Africa Delays Cargo At Borders

The Associated Press
JOHANNESBURG — The South African government began time-consuming inspections of truck cargo from neighboring black countries on Wednesday, a day after five Commonwealth nations decided to impose economic sanctions against Pretoria, freight agents said.
Sanctions by Pretoria will hurt Zambia and Zimbabwe, analysts predict. Page 2
They were causing long delays at the Beit Bridge crossing between the two countries as inspectors unpacked trucks coming from Zimbabwe, agents said.
Similar cargo checks were reported at the border with Botswana. All the countries under heavy South African constraints are part of the Southern African Development Community of 16 nations.
The screws are undoubtedly being tightened, said Alan Cowie, director of the Southern African Association of Freight Forwarders.
However, Dean Coleby, South African customs spokesman, said the checks began not by after the five Commonwealth nations adopted harsh sanctions against South Africa to protest apartheid.
Leaders of the six countries, Australia, the Bahamas, Canada, India, Zambia and Zimbabwe, decided on the sanctions at a London meeting at which Britain agreed only to limited sanctions.
The South African Broadcasting Corp. accused the West of hypocrisy by selecting sanctions that would not affect its own needs.
"Obviously, sanctions against the sanctions list," it said, "are such strategic or critical minerals as vanadium, platinum, chrome and gold, of which South Africa is the Western world's major supplier and which are indispensable in a wide range of manufacturing and industrial uses."
In other developments:
The Bureau for Information, the authorized source of information under the emergency decree now in effect, said two black workers were arrested Tuesday by other black, one in Johannesburg, near Johannesburg, and the other in Zwarte, near Port Elizabeth.
Leaders of the six countries boycotted schools Wednesday in the Cape Flats area northeast of Cape Town to protest the presence of security forces at schools and alleged harassment of teachers and pupils.
An explosion more than a mile (1.6 kilometers) underground killed two. See SOUTH AFRICA, Page 2

Taiwan's New Foreign Policy Seems To Seek End to Diplomatic Isolation

By Patrick L. Smith
International Herald Tribune
TAIPEI — Three months after Taiwan negotiated the release of a prisoner diverted to China, marking its first official contact with the mainland, there is virtually no indication here that the incident portends a softening of the island's long-standing opposition to the Beijing government.
But Taipei political analysts view the mid-May talks in Hong Kong as part of a broad new foreign policy that is both more pragmatic and more assertive than any yet devised by the ruling Kuomintang, or Nationalist Party.
In effect, the island is attempting to overcome a long-standing sense of diplomatic isolation that has worsened with China's drive to modernize.
Taipei officials continue to assert that President Chiang Ching-kuo's decision to bargain with Beijing for the return of a cargo plane and two crew members was based primarily on humanitarian considerations. They acknowledge, however, that the decision was partly a reflection of Mr. Chiang's sense of destiny to advance Taiwan's international standing and to compete more openly with China.
"The object is not an opening to the mainland," a foreign observer here said. "It's a more aggressive foreign policy, which could eventually alter Taiwan's position on the mainland issue."
Analysts trace the outlines of this change in a number of ways. Taken over the last six months, including the decision to negotiate on the abductees issue, there have been a series of domestic reforms initiated by Mr. Chiang, as well as an effort to "internationalize" Taiwan's long-protectionist economy.
Together these initiatives are viewed as an attempt by Mr. Chiang, who is 76 and in ill health, to signal the basic direction he wants to take in foreign policy. In foreign policy this amounts to a new focus on international organizations, athletic events and relationships with groups such as the European Community, East European countries and some developing nations.
This approach closely resembles that taken by South Korea in recent years.
After several months of internal debate, Taipei decided in April to maintain its place in the United Nations, despite the fact that the mainland has been pushing for its admission since 1971.
Although Taiwan is boycotting the bank's activities, many analysts view the decision to protest but remain a member as an important precedent for the flexibility Mr. Chiang appears to be encouraging.
"The membership issue remains open," said Eugene Chien, a Kuomintang representative in the national legislature. "That will be a major index of our foreign policy at the bank's annual meeting next year."
Similarly, Taiwan is continuing See TAIWAN, Page 5

NASA Aborted Flight Of Shuttle Low on Fuel

By Philip M. Boffey
New York Times Service
WASHINGTON — A manned space flight preceding the Challenger disaster was stopped within 31 seconds of a potentially catastrophic flight because frayed console operators inadvertently drained part of its fuel, according to the presidential space commission.
The assertion is contained in a staff report issued Tuesday by the commission as part of the final four volumes of its investigation. They provide more information about the panel's findings and offer new insights into the problems and failings of the space agency.
The report occurred on Jan. 6, just 22 days before the Challenger's last flight, when Columbia was scheduled to be launched. It was finally sent into orbit successfully on Jan. 12, but only after repeated delays.
The latest volumes revealed that many key personnel of the National Aeronautics and Space Administration and its contractors worked an "excessive" amount of overtime that had the potential for causing catastrophic errors in judgment.
Fatigue was not judged a factor in the Challenger disaster, commission staff investigators noted that it might have been a factor in "one potentially catastrophic human error" that occurred less than five minutes before the scheduled launching Jan. 6.
On that occasion, 15,000 pounds (8,165 kilograms) of liquid oxygen were inadvertently drained from the shuttle's external tank because of an operator error. Fortunately, that flow of liquid oxygen dropped the engine inlet temperature below acceptable limits and resulted in a safe landing.
See SHUTTLE, Page 2

In Europe, Blacks Find Racism and Isolation in City Ghettos

By James M. Markham
New York Times Service
AMSTERDAM — Eric Sijster, a former policeman from Suriname who works as an adviser to the Amsterdam police, told the other day of an incident: It seems that one of the first blacks on the Amsterdam police force arrested a white robber — but was arrested himself when white officers arrived to find a black man holding a gun.
"It is a racist society," Mr. Sijster said of the Netherlands. "As long as white society resists against the blacks, the blacks are going to get themselves back in the ghetto, the Bijlmermeer."
The high-rise district of Bijlmermeer in Amsterdam is one of many virtual ghettos in Western Europe that lodge a polyglot, post-colonial underclass that exists at the margins of white tolerance.
If Bijlmermeer's 35,000 Surinamese residents went back to their South American homeland, which gained independence from the Netherlands in 1975, they could make up the second-largest city in the country.
They and several million other Third World workers, mistreated to do jobs that Europeans did not want to do, now find themselves and their children caught between two worlds.
Many of these people came to Western Europe in the 1950s and 1960s, during decolonization and recruitment of laborers from North Africa and Turkey.
A lingering myth in Western Europe is that the "guest workers" will eventually realize they have overstayed their welcome and go home or, failing that, will be integrated fully into European societies.
Yet the overwhelming evidence is that they are remaining and, in significant instances, resisting assimilation as shrinking economic opportunity, staggering levels of unemployment and widely racism block their movement into the mainstream.
"You can't use the model of European's gaining acceptance in America — three generations and then assimilation — as an application to these people," said John Rex of the University of Warwick in England, an authority on the subject of new immigrants.
There is a much stronger sense of racism here than in America.
A decade after World War II, European governments proclaimed a halt to the Third World influx, the flight of whites from inner-city immigrant neighborhoods has sharpened segregation in schools and housing.
Half the school children in Amsterdam, for example, are non-Dutch. A fifth of the city's population is black. By 1995, projections show, it will be more than a third.
About 36 percent of the Bijlmermeer adults are unemployed. By contrast, a nearby high-technology industrial park is nearly free of black laborers from far away as Britain.
Drug addiction in Bijlmermeer is so rampant that until recently addicts and dealers operated from the roof of the local police station.
"There is a problem to say which problem is the biggest," said Harald Zehbe, a Surinamese-born community worker. "But going home is easier said than done."
"I think the older generation is becoming more Surinamese," he added. "But the generation born here has a problem. They can't be Surinamese and they can't be Dutch."
The patterns of immigration and assimilation vary across Western Europe. There are individual and national success stories.
After the decolonization of Angola and

INSIDE

Israel's high court upheld pardons for soldiers' offenses in the besting death of two Arabs. Page 2
A Senate panel was promised access to memoranda written by the nominee for chief justice of the United States. Page 3
The Philippine defense minister pledged support for any agreement with Communist rebels. Page 5

BUSINESS/FINANCE

Reagan economists predicted that U.S. economic growth would rebound in the second half of the year. Page 9

TOMORROW

Ecuador, home of the Panama hat, in Travel.

San Antonio Spending Vote Is a Bellwether for Texas in 'Era of Scarcity'

By David Marniss
Washington Post Service

SAN ANTONIO, Texas — The novelist Larry McMurtry once wrote that America was a "gentle land and Latin flavor, transcended the state it happened to be in, that while Houston and Dallas were Texas, this city spoke only for itself."

In a cultural sense this characterization still holds true, but in a political sense it does not. The central dilemma in economically depressed Texas this year is finding the wisest balance between government costs and services. Somehow San Antonio has put itself right in the middle of the debate.

The issue is a proposed limitation on municipal spending, the first Texas pruned of the tax revolt movement that began in California during the last decade under the influence of Howard Jarvis and spread across the country, striking Texas because Texas, until recently, was too busy booming to worry about such things.

San Antonio's version of Mr. Jarvis is C.A. Stubbs, who retired from the U.S. Air Force and has taken to wearing cowboy hats and string ties.

His appeal is to the city's thousands of retirees, predominantly white and military pensioners, who say they are being overtaxed for services that seem no more than a fair return for their service. Stubbs, a former government worker and property developer.

A referendum on the issue will be held Saturday, three days after the Texas Legislature convenes in emergency session in Austin to deal with the \$3-billion state budget deficit. Texas politicians, most of them facing re-election and fearful of antagonizing the electorate, will be looking to the San Antonio vote for clues on the coast-vs.-services question.

"San Antonio," said George Shipley, an Austin politician and consultant working against the spending limit, "is a test vote on where Texas is heading in this era of scarcity."

Two months ago, after Mr. Stubbs's organization, the Homeowner-Taxpayer Association of Bexar County, had rounded up the required 20,000

signatures to place the referendum on the August ballot, Texas, or at least San Antonio, appeared to be heading in his direction.

The first polls showed the referendum winning by a 20-percent margin, and Mr. Stubbs, although he seems an innocuous, Walter Mitry-like figure, was looming as a rather significant figure, having prevailed only a few months earlier on a referendum against fluoridating the water supply to fight tooth decay.

But fluoride was one thing and the spending limit quite another. This measure, by proposing to cap not just the city's operating expenses but also its capital improvement bonds for streets, sewers, water and the airport, managed to upset a diverse group of people.

They include the nationally recognized mayor of San Antonio, Henry Cisneros, the entire business establishment, the clergy and powerful neighborhood groups such as Citizens Organized for Public Service.

Even the Roman Catholic archbishop, Patrick Flores, got involved, issuing a pastoral letter last month that said the spending limit would return San Antonio to the old days of stark divisions between rich and poor.

Mr. Stubbs, feeling somewhat overwhelmed by the alliance against him, criticized Archbishop Flores for the letter, saying that the clergy should "stick to saving souls." That comment was taken as an insult by religious leaders citywide, who then became even more active in the debate, preaching against the spending limit during their Sunday services.

Mr. Cisneros, who has the most to lose if the referendum is approved, still acts as if he is 20 points behind, even though he is not, in fact, polls indicate that the Stubbs forces are likely to lose.

Only in the last decade have the poorer areas of the city benefited from capital improvement projects, and many of their residents say that there still is much to be done.

Sally Arvin, for example, lives on Patton Street in the southwest sector of the city. Her street has no drainage. When it rains, huge pools of water form for three blocks. They call it Lake Patton.

"I cry and scream and sometimes I feel like leaving my husband because he doesn't want to move from here," Mrs. Arvin said. "But where else can I go? If C.A. Stubbs wins, we'll never get our streets fixed."

Community groups viewed the spending limit as a threat to social programs for the needy and to neighborhood improvements only recently won from the city government.

Even the Roman Catholic archbishop, Patrick Flores, got involved, issuing a pastoral letter last month that said the spending limit would return San Antonio to the old days of stark divisions between rich and poor.

Mr. Stubbs, feeling somewhat overwhelmed by



Henry Cisneros

Senators to Get Access To Memos by Rehnquist

New York Times Service

WASHINGTON — The Reagan administration has backed down and agreed to give the Senate Judiciary Committee access to memoranda and legal opinions prepared by William H. Rehnquist when he served as a Justice Department official in the Nixon administration.

The action came Tuesday in the face of an open revolt by a bipartisan majority of the Judiciary Committee against the administration's refusal to release the documents.

Ten senators, all eight Democrats on the committee and two of its 10 Republicans, had been prepared to vote to issue a subpoena for the material. The vote had been scheduled for Thursday.

The agreement was announced after a day of negotiations. It averted a constitutional confrontation that had threatened to delay a vote on President Ronald Reagan's nomination of Mr. Rehnquist, an associate Supreme Court justice, to be chief justice of the United States.

Senator Joseph R. Biden Jr. of Delaware, the ranking Democrat on the committee, said, "We're getting everything we asked for."

The request was for legal opinions and memoranda that Mr. Rehnquist might have prepared on domestic surveillance of suspected subversive groups, plans for dealing with anti-war protesters and various civil rights and civil liberties issues.

From 1969 until he joined the Supreme Court in 1971, Mr. Rehnquist was the senior attorney general in charge of the Office of Legal Counsel. The office is a unit of the Justice Department that provides legal advice to the attorney general.

The attorney general at the time was John N. Mitchell, who later was imprisoned over his involvement in the Watergate scandal. The Democratic senators who initiated the request said they believe that the files may reveal some knowledge by Justice Rehnquist of questionable activities.

Initially, the senators asked for all documents prepared by Mr. Rehnquist in his tenure in the office.

line. The administration responded by asserting the doctrine that the executive branch may withhold information from Congress and the courts. The doctrine is known as executive privilege. The senators then narrowed their request to particular subjects.

If the senators find some reason to call Justice Rehnquist back for further questioning, that would presumably be scheduled after the committee finishes its hearing on the nomination of Judge Antonin Scalia to an associate justice. A vote on both nominations has been scheduled by the committee for Aug. 14.

Justice Rehnquist told the committee last week that he had no objection to the release of the documents. Members of the committee also have requested documents prepared by Judge Scalia, who served as head of the Office of Legal Counsel from mid-1974 through 1976. Judge Scalia said Tuesday that he had no objection to the release of the documents.

The judge gave glimpses of his conservative views on such issues as constitutional interpretation in his testimony before the committee, which began considering his nomination to the Supreme Court.

He was asked Tuesday by Senator Edward M. Kennedy, Democrat of Massachusetts, whether, if confirmed, "you expect to overrule the Supreme Court's 1973 decision legalizing abortion in certain circumstances."

He replied, "I don't think it proper for me to answer." If he did answer, he said, he could later be accused of "having a less than impartial view of it."

Meanwhile, Mr. Reagan said Tuesday that by the end of his second term 45 percent of all federal judges would be his appointees whose decisions on abortion, pornography, crime and other issues would have a long-range impact.

In a speech from the White House that was transmitted by satellite to the 1984 annual convention of the Knights of Columbus in Chicago, Mr. Reagan also reaffirmed his opposition to abortion.



Christopher S. Bond, a former governor of Missouri, with his wife, Carolyn, and son, Samuel, in St. Louis after winning Missouri's Republican nomination for the U.S. Senate.

Bush Claims Early Michigan Victory

United Press International

LANSING, Michigan — Vice President George Bush claimed a "solid victory" Wednesday over Representative Jack P. Kamp of New York and the Reverend Pat Robertson as results trickled in from Michigan's Republican primary election.

It may be that, however, before complete results are known. Mr. Bush finished far ahead in exit polls conducted by NBC and the Wall Street Journal. The Detroit News, and a Republican pollster, Robert Teitel, Mr. Bush got 40 percent or better in the polls.

Mr. Bush finished far ahead in exit polls conducted by NBC and the Wall Street Journal. The Detroit News, and a Republican pollster, Robert Teitel, Mr. Bush got 40 percent or better in the polls.

Mr. Bush finished far ahead in exit polls conducted by NBC and the Wall Street Journal. The Detroit News, and a Republican pollster, Robert Teitel, Mr. Bush got 40 percent or better in the polls.

Mr. Bush finished far ahead in exit polls conducted by NBC and the Wall Street Journal. The Detroit News, and a Republican pollster, Robert Teitel, Mr. Bush got 40 percent or better in the polls.

Mr. Bush finished far ahead in exit polls conducted by NBC and the Wall Street Journal. The Detroit News, and a Republican pollster, Robert Teitel, Mr. Bush got 40 percent or better in the polls.

puted the size of the Bush victory but said it was too early to list definitive figures.

The NBC poll showed that Mr. Robertson had a favorable rating of only 20 percent and an unfavorable rating of 45 percent. Mr. Bush had a 62 percent favorable rating and a 17 percent unfavorable one.

In other results in Michigan's primary election, William Lucas, a former Democrat, won the Republican nomination to run against Governor James J. Blanchard, who is seeking a second term. Mr. Lucas is the first black to be nominated by a major party for governor. Mr. Blanchard won the Democratic primary for governor with nearly 93 percent of the vote.

Representative Mark D. Siljander, a Republican, became the first incumbent member of Congress seeking re-election to be defeated in a party primary this year.

Mr. Siljander conceded his election to Fred Upton, a protégé of the former budget director, David A. Stockman, in Mr. Stockman's former congressional district.

The Bush forces said their tally of delegate votes had given them 245 victories or 56 percent while all the other candidates and uncommitted delegates had won 190 votes, or 44 percent.

Aides to the New York congressman and the television evangelist, the only potential candidates challenging Mr. Bush in Michigan, dis-

Body Found At Home of Boy George

United Press International

LONDON — The body of an American musician and songwriter was found Wednesday in a house owned by the British pop singer Boy George, the police said.

They said an autopsy on the body of Michael Rudelski, 27, of New York, determined the cause of death as "respiratory failure due to intake of drugs."

"All the signs are that it's a drug-related death," a police spokesman said. He said more forensic tests were needed to discover the specific cause of death but that the police were not looking for suspects.

No drugs were found in the house, the police said. Boy George, who leads the Culture Club group, and whose real name is George O'Dowd, had not been living at the house in recent months. He was fined £250 (\$370) for possession of heroin on July 29.

Mr. Rudelski arrived in Britain on Monday to work on new material with Boy George, the police said. Music industry sources said Mr. Rudelski was a well-known session musician who usually played keyboards.

The singer was at his home in Maiden Vale, northwest London, at the time.

Kevin O'Dowd gave the house as his address when he appeared in court last month on charges of conspiring to supply heroin to Boy George.



Time is what you've made it.

CONCORD.

The Concord Mariner SG Watch.

Beautifully crafted by hand in Biemme, Switzerland.

At the finest jewellers in Geneva, Zurich, Paris, London, Rome, New York, Los Angeles.

Chileans Worried About Jobs, Prices

'My Politics Is Work,' Says Santiago Cabdriver-Handyman

By Shirley Christian
New York Times Service

SANTIAGO — When opponents of General Augusto Pinochet called a general strike early last month, Jorge Cuello Moller did not work. Half of the reason, he said, was political conviction. The other half was fear.

Mr. Cuello, 46, is a master handyman, an electrician, a plumber and a carpenter. He also owns a taxi, which he drives in the morning rush hour.

He says that General Pinochet, who has had power for nearly 12 years, should step aside. But he also feared damage to his tools and his taxi if he had worked.

Mr. Cuello favors a change of government because of what he said has been a 50-percent drop in his work since Chile fell into a deep recession three years ago and what he estimated is a 40-percent rate of unemployment in his neighborhood.

Opinion polls show that most Chileans spend more time worrying about jobs and prices than they do about the political future of their country.

"I have no political color," Mr. Cuello said as he sat in his dining room and watched his 15-year-old son eat lunch. But he said he always voted when there were elections.

"My politics is work," he said, "because no political party is going to leave a half kilo of bread in my house when we need it. If I don't get up every day at 6 A.M., I don't have any money."

In 1986, when Jorge Cuello was 8, his parents bought a lot and built a house in the Podahuel neighborhood in the western edge of Santiago.

He finished eight years of schooling and learned some of his skills from his father and some in government training programs.

their 40s. That is slightly more than \$200.

In addition, his wife recently found work as a seamstress for a television station.

He said that the Pinochet government generally does not touch his life in a heavy-handed way. He considers the three years of the previous government of Salvador Allende, a time, Mr. Cuello said, when he and his eldest son would line up at the neighborhood bakery every other day at 5 A.M. to buy bread.

After dawn, his wife or mother would arrive to replace them in the line.

He also has bitter memories of the neighborhood committee that controlled other basic foods and used a combination of political pressure and personal greed in deciding who could buy what.

Those were some of the reasons he said he welcomed the military takeover. But his opinion changed "when I began to see that I was not doing well and not just me but all of people."

The new government drastically reduced the bloated state bureaucracy. Then it took steps toward a

free-market economy after decades of government intervention. Tariffs came down, imports rose and factories closed.

In the mid-1970s, unemployment shot up to the 25-percent range. Then foreign banks, lured with the profits of oil countries, discovered Chile and loans and deposits fed a major economic boom at the beginning of the 1980s.

Glittering office towers and shopping centers sprouted in central Santiago and the Barrio Alto, the affluent areas of town, providing construction jobs.

All of that crashed at the beginning of 1983. The dollars stopped coming, the debt was added up, banks failed and conglomerates went bankrupt.

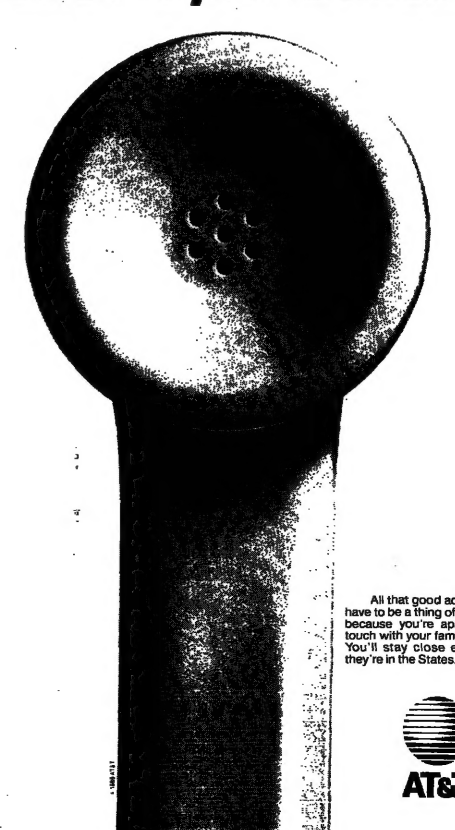
Economic analysts blamed outside factors, including the pressure of too much easy money, for much of what happened, but Mr. Cuello said he tended to believe that Chile's experiment with free-market economics was more than the country could handle.

Now Chile shows some signs of recovery from its recession. But none of them has yet reached Jorge Cuello.

DIAMONDS
YOUR BEST BUY
Single diamonds at wholesale prices by ordering direct from Antwerp, the world's most important cut-diamond market. Give diamonds to the ones you love, buy for investment, for your enjoyment.
Write airmail for free price list or call us
Joachim Goldstein
diamondexport
Established 1928
P.O. Box 100, 2018 Antwerp
Belgium - Tel: (32-3) 254.07.51
Telex 71779 sp h
at the Diamond Bldg.
Geldmarkt
Gedeepte 150 deventer

Great for Riding
Outdoors and in the stables
PALACE HOTEL
GSTAAD
SWITZERLAND
Please call:
Phone: 030/6 31 31 Telex 922 222
The Leading Hotels of the World

Listen to your mother.



All that good advice doesn't have to be a thing of the past just because you're apart. Keep in touch with your family by phone. You'll stay close even though they're in the States.

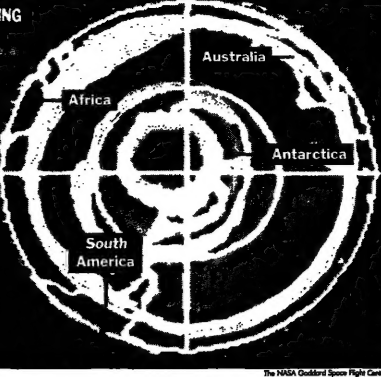


SCIENCE

Hole in the Earth's Ozone Over South Pole Worries Scientists

DISAPPEARING OZONE

Over South Pole, a hole in stratospheric ozone has deepened to cover an area as large as the United States. It is doing this at a rate that protects the earth from harmful ultraviolet radiation.



The hole in the ozone layer was detected by satellite measuring instruments.

Short ultraviolet wavelengths act as a "stress," killing aquatic life, diminishing crop yields and producing cancer.

The latest report of the hole in the ozone layer was published in March 1985 by British scientists. But later last year, scientists at the National Aeronautics and Space Administration produced satellite data confirming the British findings and showing how big the hole was.

Scientists found that the depletion of ozone was so severe that the computer analyzing the data had been suppressing it, having been programmed to assume that deviations so extreme must be errors. The scientists had to go back

and reprocess the data going back to 1979.

As the Antarctic expedition prepares for departure, new theories are emerging all explaining and none completely convincing. Some use chains of chemical reactions to link the hole to the gradual depletion already observed. Others explain the hole in terms of cyclical atmospheric processes that have no relation to man-made gases.

The atmosphere layer over the Antarctic is the coldest place on earth, 15 or 20 degrees colder than over the North Pole. The difference comes from asymmetries in the flow of the atmosphere's weather systems.

Some climate experts believe a change in the ordinary dynamics of weather and oceans in the upper atmosphere might cause the hole. For example, an upsurge of air over the pole could push aside the layer of the stratosphere with the most ozone, replacing it with low-ozone air from lower altitudes. Current climate models do not produce this effect, but they do not rule it out, either.

One theory ties the hole to volcanic particles that have built up in the polar atmosphere. The particles could be heated by the sun, causing the upwelling. Another theory suggests that the dynamics could be affected by a change in solar activity.

Jerry Mahlam, director of the Geophysical Fluid Dynamics Laboratory in Princeton, New Jersey, said the hole points to shortcomings in the existing computer models used to make predictions about the earth's climate, but it does not necessarily confirm the worst ozone warnings of the last decade.

"You could say, 'Aha, we found the great smoking gun,'" Dr. Mahlam said. "But the chemistry does not really match up. So far, there's a lot of wishful handwaving."

ON the other hand, Dr. McElroy of Harvard found a chemical explanation, and he put one forward last month in the journal *Nature*. The mechanism, gases that break down ozone include, most prominently, chlorine, formerly released by spray cans and now by a host of industrial processes. His theory relies on another element as well: bromine, a much rarer gas used in specialized fire-extinguishing equipment.

In the sequence of chemical reactions he proposes, very small amounts of bromine produce very large ozone depletion. If this theory is correct, policy-makers might find that strict control of bromine

would be more effective than controlling chlorine.

All the theories make specific predictions about the polar atmosphere that should be testable — at least in the near future, as announced by the National Science Foundation.

"You know how much excitement this is causing in scientific circles and industry and government," said Dr. Cicerone of the National Center for Atmospheric Research. "But so far the only people who are sure of themselves are not convincing their colleagues. Most of these theories will bite the dust."

Thirteen researchers will join the 130 people already wintering at the McMurdo base. They will launch a series of 33 balloons with high-atmosphere measuring instruments. And they will use an assortment of advanced ground-based instruments to detect the minute quantities of various chemicals in the air. The experiment is predicted by the various theories. The spectrometers measure the scattered wavelengths of sunlight and monitor the hole.

The scientists come from the State University of New York at Stony Brook, the University of Wyoming, the Jet Propulsion Laboratory in Pasadena, California, and the National Oceanic and Atmospheric Administration's Aeronomy Laboratory, who is the team leader of the expedition. "Whatever the source is, we need to understand it because this is a change in the ozone that is of absolutely unprecedented proportions. We've just never seen anything like what we're experiencing in the Antarctic."

Light Can Reset Body's Internal Clock, Researchers Say

By Robert Fulrow

WASHINGTON — Bright

light in measured doses apparently can reset the body's internal clock, helping people who suffer from jet lag or night-and-day shift changes, researchers say.

Even some forms of depression may be alleviated by light treatment, the researchers say. The main investigator for the study, Dr. Charles A. Czeisler, di-

rector of the neuroendocrine laboratory at Brigham and Women's Hospital, said.

"Sometime we may be able to install bright lights at factories. Then, workers on rotating shifts could get their circadian clock of bright light on the evening shift to reset their internal clocks in preparation for the next week's rotation to the night shift."

His group's study, which dealt with only one person, provided new evidence of what affects a person's circadian pacemaker, a mechanism behind the optic nerve at the front

of the brain and synchronizes a person's system with waking, working and sleeping schedules.

The authors said their study suggests that the body's pacemaker is reset daily by light conditions — the sun in the morning, darkness at night — and that the timing can be changed drastically by changing the light conditions.

The 66-year-old woman was put in front of a bank of 16 fluorescent lamps that mimic natural light with an intensity 48 times greater than ordinary room light from 8 P.M. until midnight for a week.

Her biological clock was reset by six hours within the first two days of being exposed to the light, Dr. Czeisler said. The light changed the times different body functions peaked, but in this experiment researchers avoided resetting the woman's sleep-wake cycle.

About one-third of the American work force is on rotating shift schedules associated with increased risk of injury and illness. An estimated 60 million people in the world cross time zones each year, often experiencing the fatigue and lack of alertness of jet lag.

French Develop Rabies Vaccine

LONDON (UPI) — French researchers have developed a genetically engineered vaccine that can be administered in the wild to combat rabies, a disease that kills thousands of domestic animals and potentially humans each year worldwide. The virus is transmitted by the bite of an infected animal.

The scientists expressed hope that the new vaccine would confer immunity on enough wild animals to control the spread of the disease. Wild animals served as the major reservoir of the rabies virus. The new vaccine, which can be administered in bait, consists of a genetically altered vaccine virus bearing a protein found on the rabies virus. The virus in the vaccine triggers the animal's immune system to produce antibodies against rabies, thereby protecting the animal from infection.

The vaccine virus does not harm the animal. The scientists, from several French research centers, reported their findings in the journal *Nature*. They said they had successfully tested the vaccine in foxes, the predominant carriers of the disease in Europe. Skunks and raccoons are the predominant carriers in the United States.

Testicular Cancer Measures Urged

PHILADELPHIA (UPI) — Self-examination may prevent death from testicular cancer, a disease that kills more males between ages 15 and 35 than any other disease, according to two professors of medicine. "Early detection, frequently through self-examination, and advances in chemotherapy have also made this one of the most curable cancers," said Dr. Peter Amato, a Jefferson Medical College professor and doctor at Thomas Jefferson University Hospital. Dr. Amato said self-examination of the testicles once a month could help detect testicular cancer before it spreads. If a lump was determined to be cancerous, blood tests, computerized scans or an examination of the lymph vessels would be performed to determine the extent of the disease, said Dr. Grant McMillan, a Jefferson university professor. If the cancer has not spread from the testicle, surgical removal of the affected testicle would be the only treatment needed, he said. "This procedure does not decrease 'fertility,'" Dr. Amato said. "The unaffected testicle is usually capable of maintaining sufficient fertility."

Earth's Surface Is Warming Up

LONDON (UPI) — One of the first studies of global temperatures over the surface of the ocean as well as land indicates that the warmest years since 1861 were 1981 and 1982, according to the magazine *Nature*. The measurements of sea-surface temperatures came from the records of ships traveling commercial routes since the early 19th century, it said.

The research conducted under the auspices of the Climate Research Unit of the University of East Anglia said five of the nine warmest years of the last 120 years have occurred since 1978. The article said that average temperatures have increased, as climatologists expected they would, in response to the steady accumulation of carbon dioxide in the Earth's atmosphere. But the relatively steady climatic conditions between 1930 and the mid-1970s implied that the effects of carbon dioxide have been overestimated or there is some as yet unknown factor, it said.

Advance Reported on Cystic Fibrosis

LONDON (UPI) — A significant advance in the search for the biochemical cause of cystic fibrosis, the most common of the lethal genetic diseases affecting Caucasians, has been reported in the magazine *Nature*.

Two American researchers have been able to show that the tissues of people inheriting cystic fibrosis differ from normal tissues in that the transmission of chloride ions across affected cell membranes is much reduced, the magazine said. This is the case even though there is no lack of the molecular channels by which the chloride ions usually travel, it said.

This development is important, said a magazine commentator, because until recently, virtually nothing was known of the causes and mechanisms of the disease. Then, in 1976, a geneticist discovered the defect was located, it said. The present findings, it said, tend to confirm the theory that the symptoms of cystic fibrosis, such as accumulation of fluid in the airways of the lung, are due to a deficiency of chloride transmission.

The paper was written by Michael I. Welsh of the University of Iowa College of Medicine and Carole M. Liddle of the Case Western Reserve University School of Medicine.

NYSE Most Active			
Vol.	High	Low	Chg.
IBM	124 1/2	124 1/2	1/2
AT&T	54 1/2	54 1/2	1/2
GE	34 1/2	34 1/2	1/2
Amgen	24 1/2	24 1/2	1/2
Amgen	24 1/2	24 1/2	1/2
Amgen	24 1/2	24 1/2	1/2
Amgen	24 1/2	24 1/2	1/2
Amgen	24 1/2	24 1/2	1/2
Amgen	24 1/2	24 1/2	1/2
Amgen	24 1/2	24 1/2	1/2

Market Sales			
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Diary			
Vol.	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Diary			
Vol.	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Diary			
Vol.	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Most Active			
Vol.	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

Market Sales			
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.
NYSE	Amex	OTC	Vol.

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Diary			
Vol.	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Diary			
Vol.	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

NYSE Index			
Index	High	Low	Chg.
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2
NYSE	124 1/2	124 1/2	1/2

AMEX Stock			
	High	Previous Low	Chg.
	262.69	258.63	26

BUSINESS ROUNDUP

Wickes Said to Bid For Owens-Corning

By John Crudele

NEW YORK — Owens-Corning Fiberglass Corp., a major manufacturer of building materials, has received a takeover offer from Wickes Co., a rapidly expanding West Coast conglomerate, according to Wall Street sources.

The takeover would cost more than \$3 billion at the current market price.

The sources, who asked not to be identified, said they believed that Owens-Corning was contacted last Tuesday by Wickes, a company that has recently been on an expansion binge under Sanford C. Spiloff, its chairman.

Owens-Corning's stock, which has been rising on takeover speculation for more than a week, was \$5.75 Tuesday on the New York Stock Exchange, closing at \$5.74.

Volume has been above normal lately, totaling 1.7 million shares in consolidated trading Tuesday.

Wall Street analysts, however, think the market may already be overpricing Owens-Corning's stock. They doubted that Wickes, based in Santa Monica, California, would be willing to pay as much as \$3 billion for the company, which would be a 25.7 million share takeover.

Owens-Corning manufacturing owns 1 percent of the outstanding stock.

The company's shares rose sharply Tuesday because of a news report saying that Wickes might bid as much as \$3 billion for the company, which would be a 25.7 million share takeover.

Jonathan Goldfarb, an analyst with Merrill Lynch & Co., said that on either an earnings or an asset basis \$3 billion would be a "very rich price." Calculated on the basis of the stock's worth, he added, "it's not more than \$70," he added. "It's a higher price than what is reasonable if the company were calculating value on the basis of cash flow."

Wall Street speculators have been awaiting a bid for Owens-Corning for some time. The stock of the company stood at under \$4 a share on July 28 and has been trading steadily between \$4 and \$5 since then.

Trading volume has also been up, with more than one million Owens-Corning shares traded in several days, including Tuesday. Much of that trading had been

done through Bear, Stearns & Co., leading speculators to believe that Wickes may already own a sizable amount of Owens-Corning stock.

Wickes declined to say late Tuesday whether it had made a bid, and officials at Owens-Corning also declined to comment.

Ordinarily a company in this situation would take several days to reply officially to an acquisition offer, but Owens-Corning has refused to acknowledge interest by Wickes even when requested to do so by the New York Stock Exchange.

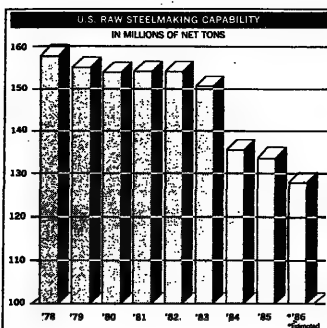
In June 1985, Wickes agreed to acquire the consumer and industrial products business of Gulf & Western Industries for \$1 billion in a move that was generally hailed by Wall Street. That acquisition was over more than a year later, but the deal that Wickes had filed for bankruptcy court protection in 1982, and emerged reorganized two years later, just before the deal with Gulf & Western.

The investment community has been expecting another acquisition since Wickes recently raised \$1.4 billion through an offering of subordinated debt. It said at the time it would have a "profoundly negative impact on the U.S. steel industry, analysts say."

The three-year contract between the United Steelworkers of America and USX, formerly U.S. Steel Corp., expired at midnight July 31. The company, the largest U.S. steelmaker, shut down its plants nationwide, leaving 22,000 workers idle.

Major steel companies say a long strike would not affect their operations much. Because of overcapacity in the industry, they said, it would take several months for the USX shutdown to cause a domestic steel shortage. Many customers, including auto manufacturers, say they have either begun to stockpile steel products or to turn to other sources.

"We use a lot of steel, and we think the impact of the strike will be minimal," said Stephen V. Lewis, president and chief executive officer of General Electric, the leading maker of industrial pumps. "If it gets to a point where the strike



Lengthy USX Closing Could Damage Steel Industry

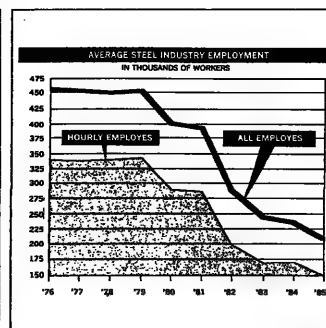
By Lee A. Daniels

NEW YORK — A lengthy shutdown of steel operations at USX Corp. would bolster the earnings of its competitors, but in the long run it would have a profoundly negative impact on the U.S. steel industry, analysts say.

The three-year contract between the United Steelworkers of America and USX, formerly U.S. Steel Corp., expired at midnight July 31. The company, the largest U.S. steelmaker, shut down its plants nationwide, leaving 22,000 workers idle.

Major steel companies say a long strike would not affect their operations much. Because of overcapacity in the industry, they said, it would take several months for the USX shutdown to cause a domestic steel shortage. Many customers, including auto manufacturers, say they have either begun to stockpile steel products or to turn to other sources.

"We use a lot of steel, and we think the impact of the strike will be minimal," said Stephen V. Lewis, president and chief executive officer of General Electric, the leading maker of industrial pumps. "If it gets to a point where the strike



Boots Co. to Pay Baxter \$555 Million for Unit

LONDON — Boots Co., the British retail drug chain and pharmaceutical manufacturer, said Wednesday that it had agreed to buy Pharmacia Laboratories, a division of Baxter Trowel Laboratories Inc., for \$555 million.

Pharmaceuticals prescription pharmaceuticals. Its major product is Synthroid, a drug for the treatment of thyroid deficiency, which is sold mainly in the United States.

Boots is to finance the purchase through a placing of 184.2 million shares at 205 pence (\$3.04) each, which would be made available to shareholders under an open offer. Further cash payments of up to \$45 million may be payable in the future.

The new shares will represent 20 percent of the new enlarged share capital of Boots. The shares are being conditionally placed through the market at 205 pence a share, which last year commanded a 17.7 percent share of the domestic steel market, could cause shortages.

"USX has nearly a fifth of all domestic shipments, and putting them out of business goes a long way to solving the overcapacity problem," Mr. Jacobson said.

"Because of potential supply shortages," he said, "many customers will want greater access to foreign-made steel, and that will have an effect on the whole industry in this country."

If the USX shutdown drops, steel officials said, it would almost certainly cause price increases, which have been depressed for more than two years.

Still, analysts say a long shutdown would compel USX to slash prices after further returns to regain its market share.

"As USX begins production again they must almost surely fight to get back customers they have lost," said Robert L. Decker, an analyst with Duff & Phelps.

"And that would set off a price spiral that would drive prices down even further than they have been. That would be a disaster for the industry."

Coke Gives Up On Dr Pepper

ATLANTA — Coca-Cola Co. has given up its plans to buy Dr Pepper Co. at the request of the company that owns Dr Pepper.

Officials of Coca-Cola and Dr Pepper's parent, Forstmann Little & Co., made the announcement Tuesday, saying they did not want a lengthy court battle. Federal regulators had said the \$470-million buyout would hurt the soft-drink market and a federal court issued a preliminary injunction against the sale.

The merger would have increased Coca-Cola's share of the overall soft drink market to about 46 percent from about 39 percent. A spokesman for Coca-Cola, Sandy Donaldson, said Forstmann Little had initiated the decision not to complete the sale.

The merger would have increased Coca-Cola's share of the overall soft drink market to about 46 percent from about 39 percent. A spokesman for Coca-Cola, Sandy Donaldson, said Forstmann Little had initiated the decision not to complete the sale.

Giant Gamble Underway In Australian Gas Fields

By Michael Richardson

INTERNATIONAL HERALD TRIBUNE — The North Rankin "A" gas field, one of the world's largest offshore gas fields, is being developed by a consortium of international oil companies. The field is located in the North Sea, off the coast of Scotland.

The consortium, led by Shell, is expected to complete the development of the field by 1990. The field is expected to produce up to 10 million barrels of oil per day.

The development of the field is expected to cost \$1 billion. The consortium is expected to recoup its costs by 1990.

The field is expected to produce up to 10 million barrels of oil per day. The consortium is expected to recoup its costs by 1990.

COMPANY NOTES

Also NV maintains its forecast for 1986 net profit will be \$1.2 billion, up from \$1.1 billion in 1985. The company's earnings per share are expected to be \$1.20, up from \$1.10 in 1985.

The company's earnings per share are expected to be \$1.20, up from \$1.10 in 1985.

BankAmerica Cancels Meetings With Analysts

NEW YORK — Two senior officials of BankAmerica Corp. abruptly canceled a series of meetings with analysts that were to be held Wednesday and Thursday with banking analysts.

The analysts said they were told the meetings were canceled because of more pressing commitments in San Francisco following the board meeting.

"It staggers the imagination what could be that urgent," said one analyst, who noted that the company had been in a "very tight spot" for some time.

Later, the chief financial officer of BankAmerica, John Poitler, reacted with speculation "absolutely not the case." He said that "there's certainly no merger activity going on."

Earlier this year Sanford I. Wall, a financier, and then First Interstate Bancorp of Los Angeles, expressed interest in taking control of the second-largest U.S. banking company, which is still struggling to recover from a sharp deterioration in much of its loan portfolio.

The analysts had been hoping to press Mr. Poitler and BankAmerica's chief executive officer, Thomas A. Cooper, on credit quality controls and potential loan losses.

BankAmerica recently reported a record \$440 million loss for the second quarter, attributed in part to writing off \$388 million in bad loans.

BANQUE NATIONALE DE PARIS

US \$400,000,000 floating rate notes 1986 due 1995

The rate of interest applicable to the interest period from August 6, 1986 to February 6, 1987 as determined by the reference agent is 6 7/8% per annum namely US \$341,805,555 per bond of US \$100,000.

GENERALI Assicurazioni Generali

1985 Highlights from the Report of the Board of Directors

(000 US Dollars)	1985	1984
Premiums written	2,028,442	1,592,439
Premiums ceded	-281,270	-254,054
Net premiums	1,747,172	1,338,385
Net investment income	402,288	312,631
Technical interest allocated to Life funds	-200,655	-145,230
Insurance underwriting result	-76,312	-65,311
Sundry income and expenditures	-10,034	-10,077
Operating earnings	115,287	92,013
Profit on sale of properties and securities	50,821	19,576
Unrealized capital losses on securities	-6,307	-12,746
Allocation to reserve for realized capital gains to be reinvested	-18,353	-6,565
Taxes	-38,858	-23,623
Profit for the year	127,697	23,558
Per share (Dollars)		
Profit	0.821	0.549
Dividend	0.358	0.298
Pay-out ratio (per cent)	44	54

- Cross premiums written by the Company totaled \$2,028.4 m of which \$ 618.7 m for Life and \$ 1,409.7 m for Non Life.
- Investments reached \$ 4,242.4 m showing a growth of 20.3%.
- Net investment income totaled \$ 402.3 m showing a growth of 28.7%. The average yield has grown to 9.7%. Realized capital gains generated from the sale of securities amounted to \$ 32.5 m and from the sale of properties to \$ 18.4 m which were allocated to the reserve for realized capital gains to be reinvested.
- The year's profit, showing a growth of 49.4% over the previous year, amounted to \$ 127.7 m of which \$ 58.4 m for Life and \$ 69.3 m for Non Life.
- \$ 47.7 m from the year's profit were allocated to the extraordinary reserve.
- The shareholders' surplus including the year's profit reached \$ 732.5 m showing an increase of \$ 92.7 m over the previous year.
- The dividend amounts to \$ 0.358 per share, showing an increase of 20.3% over 1984.
- The General Meeting approved the increase of the capital from 250 to 350 billion Lire through the issue of bonus shares - bearing dividends - of January 1, 1986 - to be assigned to the shareholders in the proportion of 2 new shares for every 5 shares held.

Generali: insurance since 1831

Head Office in Trieste (Italy)

WATCH TONIGHT - ACROSS EUROPE

BUSINESS TELEVISION

THE WALL STREET JOURNAL

European Edition

FININ

European's best source of business news. Tonight, and every night, Mon-Fri.

At 22.00 (GMT) in the U.K. and 21.00 (GMT) in the U.S.

See it on MTV, Plus and other cable channels.

For info, tel. 01-720-8225 U.K. & 01-720-8225 U.S.

A service of WesternWorld Global Communications.

THE EUROMARKETS

Western Airlines Says Its President Resigned

LOS ANGELES — Western Airlines said that Robin H.R. Wilson had resigned as president and chief operating officer. Donald M. Lloyd-Jones, who has worked as a consultant to Western and other companies since 1984, is succeeding him.

Western, the 11th-largest U.S. carrier, refused to say whether the departure was voluntary, but said that Mr. Wilson wished to pursue other business interests and it charitably accepted the break as amicable.

Mr. Wilson, 50, joined Western in January 1983 after three years as president and general manager of the Long Beach, Calif.-based 17-city Trans World Airlines.

Glen Bozarth, a company spokesman, said that Mr. Wilson was traveling and unavailable for comment.

Analysts expressed surprise at Mr. Wilson's departure, but said there was no indication that the resignation came as the result of any dissatisfaction with his performance as president.

Completed by Our Staff From Des Moines

Visited by George Foss, a U.S. subsidiary of General Motors, for a day in Iowa. Richard J. Shaorff has been named president-designate to succeed Lloyd Faulk. It said that until Mr. Faulk's departure, Mr. Shaorff will serve as executive vice president. He had been senior vice president of the retail division of Sara Lee Corp.'s Kitchens of Sara Lee unit.

Remitted UK Ltd. said that Gustav Bergmann, managing director, is to leave the position of commercial director, France, with the parent company. He is to be succeeded by Loïc Capereau, currently sales director.

LONDON — Activity Wednesday was dominated by rumors of, and then the actually launching, of a \$1-billion, 10-year floating-rate note for Denmark.

A trader at a firm that declined an invitation into the issue said: "The deal is too ambitious and we didn't think it represented value. If it falls on the secondary market, maybe we'll pick some paper up then."

The syndicate manager at another firm that declined an invitation said: "I'm supposed to be making money for my firm. I don't think I

However, the senior trader at a firm that is involved in the issue noted that \$500 million in proceeds is being used to call for early redemption an existing floater due to have matured in 1988. "There won't be much Denmark paper in the FRN sector then," he said.

He also noted that some sovereign paper, such as Sweden's, is currently trading in the secondary market at levels yielding even less than the Denmark issue.

In Copenhagen, Nils Erik Soerensen, who is in charge of borrowing at the Finance Ministry, said that Wednesday's issue, along with

a previously announced \$1 billion Euro-commercial-paper program, "should more or less take care of borrowing for this year."

The day's other launch in this sector was a \$125-million, 12-year-note issue for the Bank of Boston. It pays five basis points over the three-month London interbank offered rate and was lead-managed by Credit Suisse First Boston Ltd. It ended just on the total face of 15

No conventional dollar-straight issues were launched during the day, but three equity-warrant issues emerged.

Dainippon Ink & Chemicals Inc. launched a \$250-million bond issue due 1993 with an indicated coupon of 3½ percent. The par-priced issue was guaranteed by Fuji Bank Ltd. and led by Nikko Securities Co. (Europe) Ltd.

The other issues were a \$35-million bond issue for Intec Inc. and a \$25-million issue for Izumi Co. Both five-year bond issues had indicated coupons of 2½ percent.

MARKET: *A Mix of Stocks, Cash*

weakness in overnight service forces beyond questions of cost to just how necessary the service really is.

Before deregulation, the air-freight industry was made up mostly of freight airlines, which carried bulky cargo on planes owned by the major airlines. Tied to the schedules and space needs of the airlines, few forwarders were able to offer a true overnight service.

Deregulation, which made it easier to obtain airport landing slots, encouraged half a dozen or so companies to try to pull away from the freight airlines and offer a true overnight service. They did this by leasing large numbers of their own planes, building distribution facilities and linking the new operations to existing trucking or rail delivery networks.

The companies largely went in two directions. United Parcel Service, Federal Express Corp., Airborne Freight and Purdisville Inc. focused on the delivery of mail, newspapers and smaller packages, especially on an overnight basis. This segment of the overnight market continues to show dramatic growth.

By contrast, Emery, CF and Bur-

Japanese Northern guards their own expanding operations to heavy-lift cargo, freight, trying to capitalize on the recent fascination among U.S. manufacturers with "just-in-time" delivery. The Japanese cargo air transport system, developed in Japan, parts are delivered near the time that they are needed on production lines, cutting inventory costs. "The Japanese are not the only ones," exporters contend that freight forwarding is not all that essential to the just-in-time philosophy.

Jesse Waisman, president of Skyway, a New York City-based freight forwarder, says that "the Japanese delivers to plants that use the just-in-time system, said that it is about 90 percent of the overnight deliveries he handles." He said that "it is a security blanket," he said. "Get it here so I can touch and feel it, but not because I need it."

The switch is made easy by the price war. The creation of the new cargo fleets freed space on passenger-operated by the airlines, which generally carry cargo on a space-available basis. The airlines have also had permission freight forwarders to underbid the overnight deliveries.

"It's terrible," George Ryan, president of Burlington Northern, says. "The high overhead costs of running shipping operations."

"The terrible," George Ryan, president of Burlington Northern, says. "The high overhead costs of running shipping operations."

Until last year, Burlington Northern had been a traditional freight forwarder, shipping cargo on the airlines. But when major carriers such as American and United decided to phase out older cargo markets, the company for Burlington to ship in bulk — the company decided to buy its own fleet.

Employees of Pittsco Co., Burlington spent \$100 million on the new planes and opened a hub in Fort Wayne, Indiana, early this year, counting on the long-term growth of the airline industry. But in the industry say that its timing could not have been worse, and Burlington has already begun to lay off some of the 300 part-time workers at Fort Wayne. It has also cut salaries about 8 percent companywide.

Hughes Tool Co. said its president and chief executive, W.J. Kistler Jr., was given the additional post of chairman, succeeding James R. Lesch, who retired July 31. (AP, IHT)

MARKET: 41**fix of Stocks. Cash**

France Eases Regulations on Part-Time Jobs

PARIS — The French government announced Wednesday changes in labor law that are designed to encourage employers to hire more part-time workers and make wider use of

Alain Juppé, the government spokesman, said that a decree setting out the changes was approved at a cabinet meeting with President François Mitterrand in the chair.

The maximum length of fixed-term contracts is extended from one year to two years and they can be used in wider sec-

The decree gives employers more freedom to hire workers on a part-time or periodic basis, and to switch full-time workers to half-time work as a form of early retirement.

Forecast for Singapore

SINGAPORE — Singapore's economy is likely to drop at least 1 percent this year, but the worst of the recession is probably over, a U.S. Embassy report said Wednesday.

Wednesday
OTC
Prices
NASDAQ prices as of
3 P.M. New York time.
Via The Associated Press

[illegible]

TECHNOLOGY
IN THE HIT EVERY FRIDAY.
AN ANALYSIS OF UP-START
BREAKTHROUGHS AS THEY
AFFECT COMPANIES AND
INDIVIDUALS—WORLDWIDE

Secret Wyeth Art Hoard

A Pennsylvania art collector says States and other countries have said they will not play in the Duke

A Pennsylvania art collector says that he has purchased 240 previ-

ously unknown works by Andrew Wyeth which the artist has kept secret from his family and which he painted them. The works include four in tempera, 67 watercolors and more than 100 drawings. They were made by Wyeth while he was living in his home in Chadds Ford, Pennsylvania. All but one depict a woman named Helen. The disclosure of the paintings was Tuesday's edition of the *Philadelphia Inquirer*. Leonard Andrew, of Newtown Square, Pennsylvania, and by Jeffrey Schatz, the editor of *Art and Architecture*, a collector's magazine, and by the artist's wife, Anne, who has collected and photographed some of the works in his September issue. Wyeth, reached at his home in Chadds Ford, said that the last part of his life, the last year, said he would have no comment on the pictures. "He told me he'd been hiding these things for a long time," she said.

him hidden until he died," Schiare said Tuesday. Schiare said that the late's wife of 46 years, Mary, was born in 1914, and she was only 1 year when Weyerh, who is now 69, became ill with influenza and, thinking he might die, told her of his secret. Mary, who works for a publishing company, said only that the sale price was in the "multi-millions of dollars." Schiare said that he was not sure if his late's friends believe that the smooch was 39 years old when Weyerh first met her, and is now in his 60s.

[illegible]

Zsa Zsa Gabor's soon-to-be eighth husband is already being given a royal send-off by a horse. Gabor is married to the 10th Earl of Snowdon, a British aristocrat. Snowdon, 64, and Gabor, 63, were originally planned to have the ceremony in her Bel Air home in California or in London, New York. But when she learned that her beloved horse, Silver Fox, would be left out so now she has moved the wedding into his stable at Gabor's home in the Hollywood Hills.

Other reports say Zsa Zsa's doctor advised her not to fly East.

ALUMINUM FRAMES • PARTS • ACCESSORIES • HIGHER QUALITY

AUTOS TAX FREE[illegible]